

UMHLABUYALINGANA MUNICIPALITY

ANNUAL DRAFT BUDGET 2013/14

**TO BE TABLED TO COUNCIL ON THE
26 MARCH 2013**

IN THE MUNICIPAL BOARD ROOM

TABLE OF CONTENTS

DESCRIPTION	PAGE
PART ONE	
Mayoral Report	4 - 8
Draft Budget Resolutions	n/a
Executive summary	9 - 12
Annual Budget Tables	13 – 36
PART TWO	
Overview of the Annual Budget Process	37
Overview of the alignment of Annual Budget with IDP	Annexure
Measurable Performance Objectives and Indicators	38 -56
Overview of Budget related policies	60
Overview of Budget Assumptions	10 - 11
Summary on personnel	66
Expenditure on Allocations and Grant programmes	33 – 34
Allocations and Grants made by the municipality	n/a

Councillors Allowances, Board and Staff Benefits	62 - 66
Monthly Targets for Revenue, Expenditure and Cash flow	55 – 61
Annual Budget and Service Delivery and Budget Implementation Plan – Internal Departments	Annexure
Annual Budgets and service delivery agreements – other external mechanisms	n/a
Contracts having future budgetary implication	n/a
Capital expenditure Details	29
Legislation compliance status	69- 70
Other supporting documents	n/a
Annual Budget of municipal Entities attached to the municipal annual budget	n/a
Municipal Managers Quality Certificate	71

PART ONE

Mayoral Report

2013/2014 BUDGET REPORT PRESENTED BY HIS WORSHIP THE MAYOR COUNCILLOR TS MKHOMBO

Mr Speaker,
Deputy Mayor,
Chairperson of portfolios,
The Chief Whips
The council,
Municipal Manager and the municipal Officials

I greet you all,

I wish take this opportunity, to present an overview of the Budget and Medium Term Revenue and Expenditure Framework (MTREF) for Umhlabuyalingana Municipality. The Budget and MTREF has been compiled and prepared in terms of Local Government: Municipal Finance Management Act 56 of 2003, circulars and budget formats guides received from National and Provincial Treasuries.

The Umhlabuyalingana Municipality is situated in the far northern KwaZulu Natal next to the Mozambique boarder post. The municipality is 99, 99% rural and that, the communities of Umhlabuyalingana are very poor and the municipal area lack basic infrastructure. In the past couple of years the world economy has gone through recession and the financial commentators are still signalling that recovery is fragile. Have not that been said, the impact of the recession in the rural community has been worse than being imagined, the only bread winners in the families lost their jobs and that resulted to the even more poor families.

“Poor families lead to the poor community then poor provinces and a poor South Africa” the global recession affected the poorest of the poor and since our municipality is situated in the rural areas, our people found themselves in the receiving end. The municipality has the huge backlog in basic service delivery. The management of municipalities (local government) has an important role in strengthening the link between citizens and government overall priorities and spending plan. Our goal should be to enhance and promote service delivery aimed at improving the lives of our people within the municipality.

Budgeting is primarily about the choices the municipality has to make between competing priorities, using the scarce resources to try and satisfy the unlimited number of needs for our community.

Our president, in his state of the nation address signalled that government is primarily concerned about the high levels of unemployment, poverty and inequality in our country. To address those concerns 2013/14 has been declared the year of job creation, fighting poverty and reduction of inequality in our communities. The 2013/14 budget and MTREF, the municipality focused on contributing to job creation by:

- ❖ Continuing to implement the interns programme as the FMG funding condition
- ❖ Supporting labour intensive Local Economic Development
- ❖ Supporting the EPWP project by employing people
- ❖ Supporting the CPWP programme that is targeting to employ people
- ❖ Support the construction of RDP housing project that will employ our people at Umhlabuyalingana

With the reference to employment creation, provision is made to the following:

- ❖ The council has appointed five interns for two year fixed internship contract
- ❖ R9, 046, 094 from equitable share and municipal surplus funds has been allocated to fund capital projects, whereby the municipality is going to encourage the contractors to make use of local labour
- ❖ All contractors that will be appointed by the municipality for construction of Municipal Infrastructure Projects (MIG), Electrification Project and any other project that will be implemented by municipality will be encouraged to make use of labour intensive methods.

In the 2013/14 budget the municipality has allocated R1, 500, 000 for the Development of New General Valuation Roll. Currently the municipality is only collecting municipal property rates from businesses, Ingonyama Trust land and government institutions through Public Works. Even the municipality is billing on the monthly basis there is still a challenge of debts collection for property rates.

The total budget is **R117, 215, 200** which is made up of the following:

Capital Budget decreased from	R68, 994, 382 million to	R47, 548, 094 million
Operating Budget increased from	R55, 638, 963 million to	R69, 667, 106 million
Contribution to investments	(R16, 802, 976) million to	
TOTAL	R107, 830, 369 million to	R117, 215, 200 million

The municipal budget has increased by R9, 384, 831 and that is 8% when compared to 2012/13 Budget.

CAPITAL REVENUE BUDGET

The municipal capital budget is made up of the following:

❖ Current year DoRA allocations (2013/14)	-	R38, 502, 000
❖ Contributions from equitable share and surplus funds	-	R 9, 046, 094

The current year allocations are as follows:

❖ Equitable Share Grant (funding capital projects)	-	R 9, 046, 094
❖ Municipal Infrastructure Grant	-	R28, 502, 000
❖ Integrated Electricity Programme Grant	-	<u>R10, 000, 000</u>

TOTAL CAPITAL REVENUE		<u>R47, 548, 094</u>
------------------------------	--	-----------------------------

OPERATING REVENUE BUDGET

The municipality is budgeting for operating revenue as follows:

❖ Equitable Share	-	R68, 319, 000
❖ Financial Management Grant	-	R 1,650, 000
❖ Municipal System Improvement Grant	-	R 890, 000
❖ EPWP Grant	-	R 1, 000, 000
❖ Own Revenue	-	R 6, 204, 200
❖ Interest Received	-	<u>R 650, 000</u>
		<u>R78, 713, 200</u>

The total operating expenditure comprises of the following expenditure by type:

❖ Employees related costs	-	R20, 618, 161
❖ General expenses	-	R29, 473, 079
❖ Councillors Remuneration	-	R 9, 491, 569
❖ Repairs and Maintenance	-	R 4, 216, 000
❖ Provisions	-	<u>R 5, 868, 297</u>
		<u>R66, 667, 106</u>

The total allocation for the development of infrastructure amounts to R47, 548, 094 million for 2013/14 capital projects.

Projects to be undertaken in 2013/14 budget year includes amongst others are the following:

2013/2014 CAPITAL PROJECTS

❖ Qongwana and Mtanenkosi access road	-	R 2, 400, 000
❖ Manaba –Mlamula access Road	-	R 7, 000, 000
❖ Mbubeni- Majola access Road	-	R 6, 000, 000
❖ Zangomeni – Mngomezulu access Road	-	R 6, 939, 200
❖ Small Town Rehabilitation	-	R 3, 500, 000
❖ Sibhoweni Community Centre	-	R 1, 500, 000
❖ Manguzi Public Toilets	-	R 1, 500, 000
❖ Nyamazana Sports Ground	-	R 3, 000, 000
❖ Electrification Mseleni	-	R10, 000, 000
❖ Other assets	-	R11, 708, 894
TOTAL	-	R 47, 548, 094

2014/15 CAPITAL PROJECTS

❖ Mfihlwani - Mfakubheka	-	R 6, 580, 659
❖ Qongwana access Road	-	R 6, 786, 500
❖ Mvelabusha – Zangomeni	-	R 8, 212, 441
❖ Small Town Beautification	-	R 6, 000, 000
❖ Scabazini Sport Ground	-	R 2, 021, 025
❖ Bhekabantu Sport Ground	-	R 2, 021, 025
❖ Sbhowni – Ntshongwe	-	R16, 000, 000
❖ Other Assets	-	R 1, 977, 475
TOTAL	-	R49, 599, 125

In conclusion this budget is a reflection, despite the magnitude of basic service delivery backlog in Umhlabuyalingana, of our commitment to ensure that people of uMhlabuyalingana begin to reap the fruits of placing confidence in the government of today. For the second time in this municipality, the current council is going to approve and adopt the budget that is going to fast track the basic service delivery to our community. It is clear that the bulk of this budget has been made available, for the community projects rather than “soft” and/ or merely office based operations. Once again, in the context of Umhlabuyalingana, we have made a contribution from our equitable share to fund capital projects and also made reserves to increase the municipal working capital. I would like take this opportunity to congratulate the council, the municipal management for putting together this budget document and also for making sure that the council approves the budget for 2013-14.

It shows that there is nothing impossible when we are working together as the council and the management of this municipality, together we can do more.

I thank you,

.....
Cllr. TS Mkhombo

EXECUTIVE SUMMARY

1. Introduction and Consolidated Overview of the Municipal Budget and MTREF

The budget has been prepared, taking into account the content of Municipal Finance Management Act no 56 of 2003, MFMA circular 54, 55, and 58 and budget Format Guide from National Treasury. The sound financial management was applied in compilation of the budget to ensure that the municipality remains financial viable to be able to provide service delivery sustainable, efficiently and impartially to the community of Umhlabuyalingana.

The municipality will embark in the process of rates implementation and to educate the community about the process. The municipality is current grant dependent to provide basic service delivery in the community. The municipality is also embarking in the processes of finding the ways to increase revenue base, the municipality amongst other things has implemented the following other revenues sources:

- ❖ Improvement of rate of collection at Traffic station
- ❖ Municipal Property Rates
- ❖ Waste Management Services

The 2013/14 Budget and MTREF was informed by the following:

- ❖ 2013/14 budget priorities
- ❖ National and Provincial DoRA gazetted allocations
- ❖ municipal property rates

The municipality's main goal is to fast track the service delivery in the community of Umhlabuyalingana but at the same time remain financial viable. An amount of R9, 046, 094 has been put aside for contribution to capital projects and by that trying to reduce the service delivery backlog. The main challenges that the municipality is current facing are summarized as follows

- ❖ Aging and poor access roads
- ❖ Affordability of capital projects: the reduction of electrification programme from R16 million (2013/12 Dora) to R10 million
- ❖ Slow pace of town formalisation
- ❖ Wage increase and need to feel the critical vacant positions

2. MUNICIPAL REVENUE

The management of revenue is critical for the financial sustainability of the municipality. The reality is that, the population of Umhlabuyalingana is if faced with high rate of unemployment and poverty. The portion of our budget has been made available to address the issue of unemployment supported by the Department of Public Works. The municipal revenue strategy is built around the following:

- ❖ National Treasury's guidelines and macroeconomic policy
- ❖ Property Rates collection of at least 75% of the annual billing
- ❖ Opening of the Vehicle testing centre, management of traffic fines collection
- ❖ Increasing the collection of long term debtors at least by ¾ by the end of 2012/13 financial year

The table below illustrate the projected revenue by revenue source

2.1 Summary of revenue classification by revenue source:

Description	Adjusted Budget 2012/13	Medium Term Revenue and Expenditure Framework		
		Budget 2013/14	Budget 2014/15	Budget 2015/16
Revenue by source				
Property rates	R3, 621, 392	R2, 500, 000	R2, 627, 500	R2, 756, 248
Rental of facilities	R44, 135	R50, 000	R52, 550	R55, 125
Interest earned – external investments	R1, 400, 000	R650, 000	R683, 150	R716, 625
Fines	R152, 400	R500, 000	R525, 500	R551, 250
Licensing & permits	R2, 071, 495	R2, 969, 200	R3, 120, 629	R3, 273, 540
Transfers recognized – operational	R57, 859, 498	R71, 859, 000	R91, 587, 000	R125, 497, 000
Other Revenue	R12, 214, 245	R 65, 000	R68, 315	R71, 662
Total revenue (excluding capital transfers and contributions)	R77, 363, 165	R78, 593, 200	R98, 664, 644	R132, 921, 450

UMhlabuyalingana Municipality SUMMARY DRAFT BUDGET OPERATING AND CAPITAL BUDGET 2013/14/2014/15/2015/16			
INCOME	Draft Budget 2013/2014	Draft Budget 2014/2015	Draft Budget 2015/2016
Interest on Investment	500 000	525 500	551 250
Rent Income	50 000	52 550	55 125
Tender Monies	15 000	15 765	16 537
Refuse Service	170 000	178 670	187 425
Traffic Funds	500 000	525 500	551 250
Property Rates	2 500 000	2 627 500	2 756 248
Licencing	2 969 200	3 120 629	3 273 540
Interest on Current Account	150 000	157 650	165 375
MIG	28 502 000	32 513 000	34 861 000
Electrification	10 000 000	16 000 000	10 000 000
FMG	1 650 000	1 800 000	1 950 000
MSIG	890 000	934 000	967 000
EPWIP	1 000 000	1 000 000	1 000 000
EQUITABLE SHARE	68 319 000	87 853 000	121 580 000
TOTAL REVENUE	117 215 200	147 303 764	177 914 749
OPERATING EXPENDITURE			
Employee Costs	30 109 730	28 327 329	28 801 430
General Expenses	29 473 079	35 166 215	36 892 569
Repairs & Maintenance	4 216 000	4 584 462	4 809 101
Provision(leave,landfillsite,depreciation)	5 868 297	6 167 580	6 454 491
Contribution to Capital Outlay	47 548 094	73 058 178	100 957 158

TOTAL EXPENDITURE	117 215 200	147 303 764	177 914 749
NETT DEFICIT/-SURPLUS	0	0	(0)

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A1 Budget Summary

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Financial Performance</u>										
Property rates	–	1 653	3 306	5 971	3 622	3 622	3 622	2 500	2 628	2 756
Service charges	–	–	–	–	170	170	170	170	179	187
Investment revenue	149	974	1 525	833	1 400	1 400	1 400	650	683	717
Transfers recognised - operational	25 391	39 190	53 072	61 766	59 912	59 912	59 912	67 690	91 587	125 497
Other own revenue	705	2 172	1 813	13 337	13 794	13 794	13 794	7 703	8 096	7 458
Total Revenue (excluding capital transfers and contributions)	26 245	43 990	59 715	81 907	78 898	78 898	78 898	78 713	103 173	136 616
Employee costs	10 338	10 119	10 381	17 220	16 424	16 424	16 424	20 365	18 057	19 806
Remuneration of councillors	4 469	4 448	6 756	7 346	7 346	7 346	7 346	9 492	9 976	9 067
Depreciation & asset impairment	–	3 581	4 149	1 257	2 107	2 107	2 107	2 107	2 214	2 323
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	–	13 508	19 205	26 033	27 192	27 192	27 192	37 703	48 380	49 323
Total Expenditure	14 807	31 655	40 491	51 855	53 069	53 069	53 069	69 667	78 627	80 519
Surplus/(Deficit)	11 438	12 334	19 224	30 051	25 829	25 829	25 829	9 046	24 545	56 096
Transfers recognised - capital	23 131	9 954	34 681	29 299	–	29 299	29 299	38 502	48 513	44 861
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
<u>Capital expenditure & funds sources</u>										
Capital expenditure	23 505	8 357	63 947	55 979	68 994	68 994	68 994	47 548	73 058	100 957
Transfers recognised - capital	23 161	9 430	39 093	44 979	44 979	44 979	44 979	38 502	48 513	44 861
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	654	25 602	11 000	24 015	24 015	24 015	9 046	24 545	56 096
Total sources of capital funds	23 161	10 084	64 695	55 979	68 994	68 994	68 994	47 548	73 058	100 957

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

<u>Financial position</u>										
Total current assets	15 938	111 755	126 028	5 650	84 492	84 492	84 492	117 215	147 304	180 859
Total non current assets	72 464	69 503	99 404	55 222	68 494	68 494	68 494	47 548	50 058	52 511
Total current liabilities	14 547	41 490	28 613	7 651	4 759	4 759	4 759	29 473	31 104	32 632
Total non current liabilities	911	195	216	2 891	4 156	4 156	4 156	5 868	6 168	6 454
Community wealth/Equity	72 944	139 573	196 602	50 330	144 071	144 071	144 071	129 422	160 090	194 284
<u>Cash flows</u>										
Net cash from (used) operating	22 592	31 867	39 795	48 292	15 515	44 521	44 521	3 150	81 695	109 993
Net cash from (used) investing	(14 267)	(17 231)	(33 959)	(42 010)	(26 995)	(26 995)	(26 995)	(47 548)	(50 058)	(52 511)
Net cash from (used) financing	-	-	52	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	7 478	22 114	28 003	64 794	67 000	96 006	96 006	51 608	83 245	140 727
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	14 786	109 790	121 568	4 157	81 851	81 851	81 851	114 545	144 498	177 915
Application of cash and investments	13 801	40 006	21 789	4 297	4 215	4 215	4 215	28 830	30 428	31 852
Balance - surplus (shortfall)	985	69 785	99 779	(140)	77 636	77 636	77 636	85 715	114 070	146 063
<u>Asset management</u>										
Asset register summary (WDV)	552	255	771	500	(500)	(500)	-	-	-	-
Depreciation & asset impairment	-	3 581	4 149	1 257	2 107	2 107	2 107	2 107	2 214	2 323
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	2 904	3 840	3 840	4 015	4 015	4 219	4 427

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		31 346	41 744	57 011	65 890	60 432	60 432	74 244	94 145	128 229
Executive and council		29 838	36 428	49 682	56 693	54 256	54 256	-	-	-
Budget and treasury office		1 508	5 316	7 329	9 197	6 176	6 176	74 244	94 145	128 229
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 861	2 213	3 527	3 815	3 464	3 464	3 469	3 646	3 825
Community and social services		1 861	2 213	3 527	3 815	1 241	1 241	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	2 223	2 223	3 469	3 646	3 825
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		22 865	9 954	41 980	41 499	43 932	43 932	39 502	49 513	45 861
Planning and development		22 865	9 954	41 980	41 499	43 932	43 932	39 502	49 513	45 861
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	56 072	53 911	102 518	111 204	107 828	107 828	117 215	147 304	177 915
Expenditure - Standard	-									
<i>Governance and administration</i>		20 725	24 396	23 931	29 012	30 768	30 768	39 891	44 349	46 326
Executive and council		12 925	9 284	12 090	14 571	14 605	14 605	17 643	18 981	19 911
Budget and treasury office		5 181	10 513	5 709	7 632	8 536	8 536	13 030	15 695	16 283
Corporate services		2 619	4 599	6 132	6 809	7 627	7 627	9 218	9 674	10 133
<i>Community and public safety</i>		4 453	4 267	7 075	10 088	12 100	12 100	13 175	12 133	11 998
Community and social services		4 453	4 267	7 075	10 088	12 100	12 100	8 646	7 373	7 004
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	4 529	4 760	4 994
<i>Economic and environmental services</i>		3 013	2 992	6 818	12 755	16 376	16 376	16 601	17 763	18 633
Planning and development		3 013	2 992	6 818	12 755	16 376	16 376	16 601	17 763	18 633
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	28 191	31 655	37 824	51 855	59 244	59 244	69 667	74 246	76 957
Surplus/(Deficit) for the year		27 881	22 256	64 694	59 349	48 584	48 584	47 548	73 058	100 957

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Revenue - Standard										
<i>Municipal governance and administration</i>		31 346	41 744	57 011	65 890	60 432	60 432	74 244	94 145	128 229
Executive and council		29 838	36 428	49 682	56 693	54 256	54 256	-	-	-
<i>Mayor and Council</i>		29 838	36 428	49 682	56 693	54 256	54 256	-	-	-
<i>Municipal Manager</i>					-					
Budget and treasury office		1 508	5 316	7 329	9 197	6 176	6 176	74 244	94 145	128 229
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 861	2 213	3 527	3 815	3 464	3 464	3 469	3 646	3 825
Community and social services		1 861	2 213	3 527	3 815	1 241	1 241	-	-	-
<i>Libraries and Archives</i>				1 870	1 576	1 241	1 241	-	-	-
<i>Other Community</i>		1 861	2 213	1 657	2 239	-	-	-	-	-
Public safety		-	-	-	-	2 223	2 223	3 469	3 646	3 825
<i>Police</i>						2 223	2 223	3 469	3 646	3 825
<i>Fire</i>										
<i>Other</i>										
<i>Economic and environmental services</i>		22 865	9 954	41 980	41 499	43 932	43 932	39 502	49 513	45 861
Planning and development		22 865	9 954	41 980	41 499	43 932	43 932	39 502	49 513	45 861
<i>Economic Development/Planning</i>		22 865	9 954	8 574	1 000	1 000	1 000	1 000	1 000	1 000
<i>Town Planning/Building enforcement</i>				33 406	40 499	42 932	42 932	38 502	48 513	44 861
<i>Licensing & Regulation</i>										
<i>Solid Waste</i>										
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	56 072	53 911	102 518	111 204	107 828	107 828	117 215	147 304	177 915
Expenditure - Standard	-									
<i>Municipal governance and administration</i>	-	20 725	24 396	23 931	29 012	30 768	30 768	39 891	44 349	46 326
Executive and council	-	12 925	9 284	12 090	14 571	14 605	14 605	17 643	18 981	19 911
<i>Mayor and Council</i>	-	12 925	9 284	7 241	8 336	14 605	14 605	11 112	11 616	12 185
<i>Municipal Manager</i>	-			4 849	6 235	-		6 532	7 365	7 726
Budget and treasury office	-	5 181	10 513	5 709	7 632	8 536	8 536	13 030	15 695	16 283
Corporate services	-	2 619	4 599	6 132	6 809	7 627	7 627	9 218	9 674	10 133
<i>Human Resources</i>	-	2 619	4 599	6 132	6 809	7 627	7 627	9 218	9 674	10 133
<i>Information Technology</i>	-				-					

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

<i>Community and public safety</i>	-	4 453	4 267	7 075	10 088	12 100	12 100	13 175	12 133	11 998
Community and social services	-	4 453	4 267	7 075	10 088	12 100	12 100	8 646	7 373	7 004
Libraries and Archives	-			1 450	1 716			1 515	1 592	1 670
Museums & Art Galleries etc	-				8 372					
Other Community	-	4 453	4 267	5 625		12 100	12 100	7 131	5 781	5 334
Other Social	-									
Sport and recreation	-									
Public safety	-	-	-	-	-	-	-	4 529	4 760	4 994
Police	-							4 529	4 760	4 994
Housing	-									
Health	-	-	-	-	-	-	-	-	-	-
Clinics	-									
Ambulance	-									
Other	-									
<i>Economic and environmental services</i>	-	3 013	2 992	6 818	12 755	16 376	16 376	16 601	17 763	18 633
Planning and development	-	3 013	2 992	6 818	12 755	16 376	16 376	16 601	17 763	18 633
Economic Development/Planning	-	3 013	2 992	2 262	3 606	3 606	3 606	5 594	5 879	6 167
Town Planning/Building enforcement	-			4 556	9 149	12 770	12 770	11 007	11 884	12 466
Licensing & Regulation	-									
Markets	-									
Total Expenditure - Standard	3	28 191	31 655	37 824	51 855	59 244	59 244	69 667	74 246	76 957
Surplus/(Deficit) for the year		27 881	22 256	64 694	59 349	48 584	48 584	47 548	73 058	100 957

KZN271 Umhlabuyalingana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	1									
Vote 1 - [COUNCIL AND EXECUTIVE 1]		29 838	36 428	49 682	56 693	54 256	54 256	–	–	–
Vote 2 - [BUDGET AND TREASURY]		1 508	5 316	7 329	9 197	6 176	6 176	74 244	94 145	128 229
Vote 3 - [CORPARATE AND COMMUNITY DEPARTMENT]		1 861	2 213	3 527	3 815	3 464	3 464	3 469	3 646	3 825
Vote 4 - PLANNING AND DEVELOPMENT		22 865	9 954	41 980	41 499	43 932	43 932	39 502	49 513	45 861
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	56 072	53 911	102 518	111 204	107 828	107 828	117 215	147 304	177 915
Expenditure by Vote to be appropriated	1									
Vote 1 - [COUNCIL AND EXECUTIVE 1]		12 925	9 285	12 090	14 571	14 605	14 605	17 643	18 981	19 911
Vote 2 - [BUDGET AND TREASURY]		5 181	10 513	5 709	7 632	8 536	8 536	13 030	15 695	16 283
Vote 3 - [CORPARATE AND COMMUNITY DEPARTMENT]		7 072	8 866	13 207	16 897	23 174	23 174	22 393	21 807	22 131
Vote 4 - PLANNING AND DEVELOPMENT		3 013	2 992	6 818	12 755	12 770	12 770	16 601	17 763	18 633
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	28 191	31 656	37 824	51 855	59 085	59 085	69 667	74 246	76 957
Surplus/(Deficit) for the year	2	27 881	22 255	64 694	59 349	48 743	48 743	47 548	73 058	100 957

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	1									
Vote 1 - [COUNCIL AND EXECUTIVE 1]		29 838	36 428	49 682	56 693	54 256	54 256	-	-	-
1.1 - [COUNCIL DEPARTMENT]					-					
1.2 - [MUNICIPAL MANAGER]		29 838	36 428	49 682	56 693	54 256	54 256	-	-	-
Vote 2 - [BUDGET AND TREASURY]		1 508	5 316	7 329	9 197	6 176	6 176	74 244	94 145	128 229
2.1 - [FINANCE DEPARTMENT]		1 508	5 316	7 329	9 197	6 176	6 176	74 244	94 145	128 229
Vote 3 - [CORPARATE AND COMMUNITY DEPARTMENT]		1 861	2 213	3 527	3 815	3 464	3 464	3 469	3 646	3 825
3.2 - LIBRARY SERVICES]		88	1 087	1 870	1 576	1 241	1 241	-	-	-
3.5 - TRAFFIC DEPARTMENT		1 773	1 126	1 657	2 239	2 223	2 223	3 469	3 646	3 825
Vote 4 - PLANNING AND DEVELOPMENT		22 865	9 954	41 980	41 499	43 932	43 932	39 502	49 513	45 861
4.1 - TECHNICAL SERVICES		22 865	8 669	33 406	40 499	42 932	42 932	38 502	48 513	44 861
4.2 - LOCAL ECONOMIC DEVELOPMENT			1 285	8 574	1 000	1 000	1 000	1 000	1 000	1 000
Total Revenue by Vote	2	56 072	53 911	102 518	111 204	107 828	107 828	117 215	147 304	177 915
Expenditure by Vote	1									
Vote 1 - [COUNCIL AND EXECUTIVE 1]		12 925	9 285	12 090	14 571	14 605	14 605	17 643	18 981	19 911
1.1 - [COUNCIL DEPARTMENT]		5 184	4 537	7 241	8 336	8 370	8 370	11 112	11 616	12 185
1.2 - [MUNICIPAL MANAGER]		7 741	4 748	4 849	6 235	6 235	6 235	6 532	7 365	7 726
Vote 2 - [BUDGET AND TREASURY]		5 181	10 513	5 709	7 632	8 536	8 536	13 030	15 695	16 283
2.1 - [FINANCE DEPARTMENT]		5 181	10 513	5 709	7 632	8 536	8 536	13 030	15 695	16 283
Vote 3 - [CORPARATE AND COMMUNITY DEPARTMENT]		7 072	8 866	13 207	16 897	23 174	23 174	22 393	21 807	22 131
3.1 - CORPARATE DEPARTMENT]		2 619	4 599	6 132	6 809	7 627	7 627	9 218	9 674	10 133
3.2 - LIBRARY SERVICES]		738	949	1 450	1 716	1 584	1 584	1 515	1 592	1 670
3.3 - COMMUNITY SERVICES		3 715	2 415	3 307	4 925	10 516	10 516	7 131	5 781	5 334
3.5 - TRAFFIC DEPARTMENT			903	2 318	3 447	3 447	3 447	4 529	4 760	4 994

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Vote 4 - PLANNING AND DEVELOPMENT		3 013	2 992	6 818	12 755	12 770	12 770	16 601	17 763	18 633
4.1 - TECHNICAL SERVICES		2 047	2 272	4 556	9 149	8 589	8 589	11 007	11 884	12 466
4.2 - LOCAL ECONOMIC DEVELOPMENT		966	720	2 262	3 606	4 181	4 181	5 594	5 879	6 167
Total Expenditure by Vote	2	28 191	31 656	37 824	51 855	59 085	59 085	69 667	74 246	76 957
Surplus/(Deficit) for the year	2	27 881	22 255	64 694	59 349	48 743	48 743	47 548	73 058	100 957

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	–	1 653	3 306	5 971	3 622	3 622	3 622	2 500	2 628	2 756
Property rates - penalties & collection charges											
Service charges - refuse revenue	2	–	–	–	–	170	170	170	170	179	187
Service charges - other					–	–	–				
Rental of facilities and equipment		51	33	33	48	48	48	48	50	53	55
Interest earned - external investments		149	974	1 525	833	1 400	1 400	1 400	650	683	717
Fines		26	25	114	168	152	152	152	500	526	551
Licences and permits		400	1 101	1 574	2 071	2 071	2 071	2 071	2 969	3 121	2 756
Transfers recognised - operational		25 391	39 190	53 072	61 766	59 912	59 912	59 912	67 690	91 587	125 497
Other revenue	2	228	1 014	71	11 050	11 523	11 523	11 523	4 184	4 398	4 096
Gains on disposal of PPE			–	20	–	–	–		–	–	
Total Revenue (excluding capital transfers and contributions)		26 245	43 990	59 715	81 907	78 898	78 898	78 898	78 713	103 173	136 616
Expenditure By Type											
Employee related costs	2	10 338	10 119	10 381	17 220	16 424	16 424	16 424	20 365	18 057	19 806
Remuneration of councillors		4 469	4 448	6 756	7 346	7 346	7 346	7 346	9 492	9 976	9 067
Debt impairment	3		3 970	1 744	142	42	42	42			
Depreciation & asset impairment	2	–	3 581	4 149	1 257	2 107	2 107	2 107	2 107	2 214	2 323
Contracted services		–	63	68	3 466	–	–	–	–	–	–
Other expenditure	4, 5	–	9 475	17 393	22 425	27 150	27 150	27 150	37 703	48 380	49 323
Loss on disposal of PPE											
Total Expenditure		14 807	31 655	40 491	51 855	53 069	53 069	53 069	69 667	78 627	80 519
Surplus/(Deficit)		11 438	12 334	19 224	30 051	25 829	25 829	25 829	9 046	24 545	56 096
Transfers recognised - capital		23 131	9 954	34 681	29 299	–	29 299	29 299	38 502	48 513	44 861

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Contributed assets					-				-		
Surplus/(Deficit) after capital transfers & contributions		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Surplus/(Deficit) after taxation		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Attributable to minorities									-		
Surplus/(Deficit) attributable to municipality		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Share of surplus/ (deficit) of associate	7								-		
Surplus/(Deficit) for the year		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be appropriated</u>	2										
Vote 1 - [COUNCIL AND EXECUTIVE 1]		-	-	-	11 000	24 015	24 015	24 015	20	21	22
Vote 2 - [BUDGET AND TREASURY]		95	1 823	-	2 565	2 565	2 565	2 565	70	74	77
Vote 3 - [CORPARATE AND COMMUNITY DEPARTMENT]		-	-	-	550	550	550	550	426	448	470
Vote 4 - PLANNING AND DEVELOPMENT		23 066	7 501	-	41 864	41 864	41 864	41 864	47 032	72 516	100 388
Vote 5 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		23 161	9 324	-	55 979	68 994	68 994	68 994	47 548	73 058	100 957
Total Capital Expenditure - Vote		23 161	9 324	-	55 979	68 994	68 994	68 994	47 548	73 058	100 957
<u>Capital Expenditure - Standard</u>											
<i>Governance and administration</i>		437	95	1 823	2 915	1 780	1 780	1 780	90	95	99
Executive and council		-	-	-	-	-	-	-	20	21	22
Budget and treasury office		437	95	1 823	2 915	1 780	1 780	1 780	70	74	77
Corporate services		-	-	-	550	600	600	600	426	448	470
<i>Community and public safety</i>		-	-	-	550	600	600	600	426	448	470
Community and social services		-	-	-	550	600	600	600	426	448	470
<i>Economic and environmental services</i>		23 068	8 262	62 124	52 514	66 614	66 614	66 614	47 032	72 516	100 389
Planning and development		23 068	8 262	62 124	52 514	66 614	66 614	66 614	47 032	72 516	100 389
<i>Other</i>		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	23 505	8 357	63 947	55 979	68 994	68 994	68 994	47 548	73 058	100 957
<u>Funded by:</u>											
National Government		23 161	8 669	29 608	44 829	44 829	44 829	44 829	38 502	48 513	44 861

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Provincial Government		–	761	9 485	150	150	150	150	–	–	–
Other transfers and grants											
Transfers recognised - capital	4	23 161	9 430	39 093	44 979	44 979	44 979	44 979	38 502	48 513	44 861
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		–	654	25 602	11 000	24 015	24 015	24 015	9 046	24 545	56 096
Total Capital Funding	7	23 161	10 084	64 695	55 979	68 994	68 994	68 994	47 548	73 058	100 957

KZN271 Umhlabuyalingana - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
<u>Capital expenditure - Municipal Vote</u>	2										
<u>Single-year expenditure appropriation</u>											
Vote 1 - [COUNCIL AND EXECUTIVE 1]		–	–	–	11 000	24 015	24 015	24 015	20	21	22
1.1 - [COUNCIL DEPARTMENT]										21	22
1.2 - [MUNICIPAL MANAGER]					11 000	24 015	24 015	24 015	20	–	–
Vote 2 - [BUDGET AND TREASURY]		95	1 823	–	2 565	2 565	2 565	2 565	70	74	77
2.1 - [FINANCE DEPARTMENT]		95	1 823		2 565	2 565	2 565	2 565	70	74	77
Vote 3 - [CORPARATE AND COMMUNITY DEPARTMENT]		–	–	–	550	550	550	550	426	448	470
3.1 - CORPARATE DEPARTMENT]									130	137	143
3.2 - LIBRARY SERVICES]											
3.3 - COMMUNITY SERVICES					250	250	250	250	–	–	–
3.2 - LIBRARY SERVICES]											
3.5 - TRAFFIC DEPARTMENT					300	300	300	300	296	311	326
Vote 4 - PLANNING AND DEVELOPMENT		23 066	7 501	–	41 864	41 864	41 864	41 864	47 032	72 516	100 388
4.1 - TECHNICAL SERVICES					39 864	39 864	39 864	39 864	46 997	72 479	100 350
4.2 - LOCAL ECONOMIC DEVELOPMENT		23 066	7 501		2 000	2 000	2 000	2 000	35	37	39
Capital single-year expenditure sub-total		23 161	9 324	–	55 979	68 994	68 994	68 994	47 548	73 058	100 957

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Total Capital Expenditure		23 161	9 324	–	55 979	68 994	68 994	68 994	47 548	73 058	100 957

KZN271 Umhlabuyalingana - Table A6 Budgeted Financial Position

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		8 393	54 895	60 784	786	78 480	78 480	78 480	100 545	129 998	162 915
Call investment deposits	1	6 393	54 895	60 784	3 371	3 371	3 371	3 371	14 000	14 500	15 000
Consumer debtors	1	426	468	477	–	–	–	–	–	–	–
Other debtors		727	1 496	3 983	1 493	2 641	2 641	2 641	2 670	2 806	2 944
Inventory	2										
Total current assets		15 938	111 755	126 028	5 650	84 492	84 492	84 492	117 215	147 304	180 859
Non current assets											
Long-term receivables			618	47			–				
Property, plant and equipment	3	71 911	68 629	98 586	54 722	68 994	68 994	68 994	47 548	50 058	52 511
Intangible		552	255	771	500	(500)	(500)	(500)			
Other non-current assets											
Total non current assets		72 464	69 503	99 404	55 222	68 494	68 494	68 494	47 548	50 058	52 511
TOTAL ASSETS		88 402	181 258	225 431	60 872	152 986	152 986	152 986	164 763	197 362	233 370
LIABILITIES											
Current liabilities											
Borrowing	4	20	39	71	–	–	–	–	–	–	–
Consumer deposits											
Trade and other payables	4	14 528	40 894	25 463	4 759	4 759	4 759	4 759	29 473	31 104	32 632
Provisions			557	3 080	2 891						
Total current liabilities		14 547	41 490	28 613	7 651	4 759	4 759	4 759	29 473	31 104	32 632
Non current liabilities											
Provisions		911	195	216	2 891	4 156	4 156	4 156	5 868	6 168	6 454

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Total non current liabilities		911	195	216	2 891	4 156	4 156	4 156	5 868	6 168	6 454
TOTAL LIABILITIES		15 458	41 685	28 829	10 542	8 915	8 915	8 915	35 341	37 272	39 086
NET ASSETS	5	72 944	139 573	196 602	50 330	144 071	144 071	144 071	129 422	160 090	194 284
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		72 944	139 573	196 602	50 330	144 071	144 071	144 071	129 422	160 090	194 284
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	72 944	139 573	196 602	50 330	144 071	144 071	144 071	129 422	160 090	194 284

KZN271 Umhlabuyalingana - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other					5 971	3 622	3 622	3 622	2 500	2 628	2 756
Government - operating	1	56 072	52 937	73 396	61 766	59 549	59 549	59 549	78 713	95 471	129 546
Government - capital	1				29 299	293	29 299	29 299	38 502	48 513	44 861
Interest		(275)	974	1 525	833	1 401	1 401	1 401	650	683	717
Dividends					-						
Payments											
Suppliers and employees		(33 205)	(22 044)	(35 061)	(49 576)	(49 350)	(49 350)	(49 350)	(69 667)	(65 599)	(67 888)
Finance charges			-	(64)	-		-				
Transfers and Grants	1				-				(47 548)		
NET CASH FROM/(USED) OPERATING ACTIVITIES		22 592	31 867	39 795	48 292	15 515	44 521	44 521	3 150	81 695	109 993
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(21 716)	(10 085)	(33 358)							
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments		7 449	(7 146)	(601)					-		
Payments											
Capital assets					(42 010)	(26 995)	(26 995)	(26 995)	(47 548)	(50 058)	(52 511)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(14 267)	(17 231)	(33 959)	(42 010)	(26 995)	(26 995)	(26 995)	(47 548)	(50 058)	(52 511)
CASH FLOWS FROM FINANCING ACTIVITIES											

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Receipts											
Borrowing long term/refinancing			-	52					-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing									-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	52	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		8 325	14 636	5 889	6 282	(11 480)	17 526	17 526	(44 398)	31 637	57 482
Cash/cash equivalents at the year begin:	2	(846)	7 478	22 114	58 511	78 480	78 480	78 480	96 006	51 608	83 245
Cash/cash equivalents at the year end:	2	7 478	22 114	28 003	64 794	67 000	96 006	96 006	51 608	83 245	140 727

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	7 478	22 114	28 003	64 794	67 000	96 006 (14	96 006 (14	51 608	83 245	140 727
Other current investments > 90 days		7 307	87 676	93 565	(60 637)	14 851	155)	155)	62 937	61 253	37 188
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		14 786	109 790	121 568	4 157	81 851	81 851	81 851	114 545	144 498	177 915
<u>Application of cash and investments</u>											
Unspent conditional transfers		8 538	32 038	17 932	4 759	4 759	4 759	4 759	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	5 263	7 967	3 857	(462)	(544)	(544)	(544)	28 830	30 428	31 852
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		13 801	40 006	21 789	4 297	4 215	4 215	4 215	28 830	30 428	31 852
Surplus(shortfall)		985	69 785	99 779	(140)	77 636	77 636	77 636	85 715	114 070	146 063

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Table A9 Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	23 161	10 085	64 695	55 979	76 859	76 859	46 947	49 342	86 759
Infrastructure - Road transport		10 267	8 262	10 926	31 364	-	-	22 374	23 515	24 668
Infrastructure - Electricity		-	-	9 337	5 000	5 000	5 000	10 000	10 510	11 025
Infrastructure - Other		-	-	24 323	3 900	-	-	450	473	496
Infrastructure		10 267	8 262	44 586	40 264	5 000	5 000	32 824	34 498	36 189
Community		409	-	3 038	11 850	68 994	68 994	11 562	12 152	47 747
Other assets	6	12 485	1 823	17 071	3 365	3 365	3 365	2 561	2 692	2 824
Intangibles		-	-	-	500	(500)	(500)	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4									
Infrastructure - Road transport		10 267	8 262	10 926	31 364	-	-	22 374	23 515	24 668
Infrastructure - Electricity		-	-	9 337	5 000	5 000	5 000	10 000	10 510	11 025
Infrastructure - Other		-	-	24 323	3 900	-	-	450	473	496
Infrastructure		10 267	8 262	44 586	40 264	5 000	5 000	32 824	34 498	36 189
Community		409	-	3 038	11 850	68 994	68 994	11 562	12 152	47 747
Other assets		12 485	1 823	17 071	3 365	3 365	3 365	2 561	2 692	2 824
Intangibles		-	-	-	500	(500)	(500)	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	23 161	10 085	64 695	55 979	76 859	76 859	46 947	49 342	86 759
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Intangibles		552	255	771	500	(500)	(500)	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5		255	771	500			-	-	-

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

		552				(500)	(500)			
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		-	3 581	4 149	1 257	2 107	2 107	2 107	2 214	2 323
<u>Repairs and Maintenance by Asset Class</u>	3	-	-	-	2 904	3 840	3 840	4 015	4 219	4 427
Infrastructure - Road transport		-	-	-	2 000	1 400	1 400	1 600	1 682	1 764
Infrastructure - Other		-	-	-	549	1 535	1 535	1 535	1 613	1 692
Infrastructure		-	-	-	2 549	2 935	2 935	3 135	3 295	3 456
Other assets	6, 7	-	-	-	355	905	905	880	924	970
TOTAL EXPENDITURE OTHER ITEMS		-	3 581	4 149	4 161	5 947	5 947	6 122	6 434	6 750
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		0.0%	0.0%	0.0%	5.3%	5.6%	5.6%	8.4%	8.4%	8.4%
<i>Renewal and R&M as a % of PPE</i>		0.0%	0.0%	0.0%	581.0%	-768.0%	-768.0%	0.0%	0.0%	0.0%

KZN271 Umhlabuyalingana - Table A10 Basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Refuse:</u>										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-	-
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)		-	-	-	-	-	-	-	-	-

2.2 Operating Transfers and grants receipts

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
RECEIPTS:	1, 2									
– Operating Transfers and Grants										
National Government:		31 660	37 700	52 018	59 993	57 859	57 859	71 859	91 587	125 497
Local Government Equitable Share		29 185	35 750	49 682	56 693	54 256	54 256	68 319	87 853	121 580
Finance Management		1 740	1 200	1 450	1 500	1 804	1 804	1 650	1 800	1 950
Municipal Systems Improvement		735	750	886	800	800	800	890	934	967
EPWP Incentive		–	–	–	1 000	1 000	1 000	1 000	1 000	1 000
Provincial Government:		138	3 416	5 319	1 723	1 388	1 388	–	–	–
Sport and Recreation					150	150	150	–	–	–
Housing		48	–	644						
LIBRARY		90	3 416	4 675	1 573	1 238	1 238	–	–	–
District Municipality:		53	–	–	–	–	–	–	–	–
<i>OTHER RANT</i>		53								
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	31 851	41 116	57 337	61 716	59 247	59 247	71 859	91 587	125 497
Capital Transfers and Grants										
National Government:		19 807	25 238	28 908	29 149	29 149	29 149	38 502	48 513	44 861
Municipal Infrastructure Grant (MIG)		19 807	16 238	19 908	24 149	24 149	24 149	28 502	32 513	34 861
Other capital transfers/grants [Integrated National Electrification Programme]		–	9 000	9 000	5 000	5 000	5 000	10 000	16 000	10 000
Provincial Government:		914	6 500	8 819	–	–	–	–	–	–
Other capital transfers/grants [OTHER PROVINCIAL]		914	6 500	8 819						
District Municipality:		–	–	1 366	–	–	–	–	–	–

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

<i>CORRIDOR GRANT</i>				1 366						
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	20 721	31 738	39 093	29 149	29 149	29 149	38 502	48 513	44 861
TOTAL RECEIPTS OF TRANSFERS & GRANTS		52 572	72 854	96 430	90 865	88 396	88 396	110 361	140 100	170 358

2.3 Operating Expenditure Framework

Umhlabuyalingana operating expenditure framework for 2013/14 budget is informed by the following:

- ❖ Asset Renewal and Repairs and maintenance plan
- ❖ Balanced budget (Operating expenditure should not exceed the operating revenue)
- ❖ Operating revenue will be directed to fund capital projects without compromising the financial viability of the municipality
- ❖ Strict principle on budget monitoring and funds allocation, if the project or programme does not have a plan not funding will be allocated to that project.
- ❖ Funding of budget over the medium term as informed by section 18 and 19 of the Municipal Finance Management Act.

The table below is the high level summary of the 2013/14 budget and Medium Term Revenue Expenditure (classified per main type of operating expenditure)

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	–	1 653	3 306	5 971	3 622	3 622	3 622	2 500	2 628	2 756
Service charges - refuse revenue	2	–	–	–	–	170	170	170	170	179	187
Rental of facilities and equipment		51	33	33	48	48	48	48	50	53	55
Interest earned - external investments		149	974	1 525	833	1 400	1 400	1 400	650	683	717
Fines		26	25	114	168	152	152	152	500	526	551
Licences and permits		400	1 101	1 574	2 071	2 071	2 071	2 071	2 969	3 121	2 756
Transfers recognised - operational		25 391	39 190	53 072	61 766	59 912	59 912	59 912	67 690	91 587	125 497
Other revenue	2	228	1 014	71	11 050	11 523	11 523	11 523	4 184	4 398	4 096
Gains on disposal of PPE			–	20	–	–	–		–	–	
Total Revenue (excluding capital transfers and contributions)		26 245	43 990	59 715	81 907	78 898	78 898	78 898	78 713	103 173	136 616
Expenditure By Type											
Employee related costs	- 2	10 338	10 119	10 381	17 220	16 424	16 424	16 424	20 365	18 057	19 806

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Remuneration of councillors		4 469	4 448	6 756	7 346	7 346	7 346	7 346	9 492	9 976	9 067
Debt impairment	3		3 970	1 744	142	42	42	42			
Depreciation & asset impairment	2	–	3 581	4 149	1 257	2 107	2 107	2 107	2 107	2 214	2 323
Contracted services		–	63	68	3 466	–	–	–	–	–	–
Other expenditure	4, 5	–	9 475	17 393	22 425	27 150	27 150	27 150	37 703	48 380	49 323
Loss on disposal of PPE											
Total Expenditure		14 807	31 655	40 491	51 855	53 069	53 069	53 069	69 667	78 627	80 519
Surplus/(Deficit)		11 438	12 334	19 224	30 051	25 829	25 829	25 829	9 046	24 545	56 096
Transfers recognised - capital		23 131	9 954	34 681	29 299	–	29 299	29 299	38 502	48 513	44 861
Contributed assets				–					–		
Surplus/(Deficit) after capital transfers & contributions		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Taxation											
Surplus/(Deficit) after taxation		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Attributable to minorities									–		
Surplus/(Deficit) attributable to municipality		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957
Share of surplus/ (deficit) of associate	7								–		
Surplus/(Deficit) for the year		34 569	22 289	53 905	59 350	25 829	55 128	55 128	47 548	73 058	100 957

PART TWO – SUPPORTING DOCUMENTATION

1. Introduction

Section 53 of the MFMA requires the Mayor of the municipality to provide political guidance in the budget process and setting of priorities that must guide the preparation of the budget. In addition chapter two of the Municipal Budgeting and Reporting Regulations state that the Mayor of the Municipality must establish the Budget Steering Committee to provide technical support to the Mayor in discharging the responsibilities as set out in section 53 of the MFMA.

2. Overview of IDP and Budget Process

In terms of section 21 of the MFMA the Mayor of the municipality is required to table to council ten months before the start of the new budget year a time schedule that sets out the process to revise the IDP and to prepare the budget. The mayor tabled in process plan to the council in August 2012. The district Municipality's IDP Planners Forum sits quarterly, and in the current IDP process they have had three times discussing the issues of vertical and horizontal IDP alignment and planning and development issue in the DM.

3. IDP Strategic Objective

1.1.1 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT	RESPONSIBLE DEPARTMENT
02/01/20-13	To facilitate provision of water and sanitation to a minimum standards.	Basic Services (Water and sanitation)	<ul style="list-style-type: none"> • Signing of SLA between DC27 and KZ 271 on provision of water and sanitation. • Participate actively in the district water and sanitation coordination structures. • Monitor implementation of water and sanitation projects. • Integrate settlement planning with water and sanitation delivery programme. 	Water to every household within a 200m radius. A VIP in each household.	Technical services
02/04/12-13	To facilitate the provision of reliable sources of energy to Umhlabuyalingana communities.	Electricity and alternative sources of power	<ul style="list-style-type: none"> • Facilitate the provision of electricity throughout Umhlabuyalingana to reduce backlog. • Facilitate the upgrading of electricity infrastructure in Manguzi and Mbazwana towns. • Investigate potential alternative for renewable sources of energy within Umhlabuyalingana. 	Increase access to reliable sources of energy.	Technical Services
	To improve access to	Free Basic	<ul style="list-style-type: none"> • Preparation/review of an indigent 	% increase in the	Community

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT	RESPONSIBLE DEPARTMENT
	free basic services among the indigent.	Services	<ul style="list-style-type: none"> policy. Preparation and annual update of indigent register. Rigorous implementation of the indigent policy. 	number of households receiving indigent support.	services CFO
	To provide access and facilitate vehicular movement in Umhlabuyalingana.	Roads, pathways and storm water	<ul style="list-style-type: none"> Identify all local access roads that require construction and/ or upgrading and/or maintenance. Participate actively in the rural Road Transportation Forum programs. Signing of SLA between KZ271 and DOT 	Report on backlogs. Length of roads constructed/upgraded/Maintained per annum.	Technical Services
	To develop long term infrastructure development plans.	Infrastructure planning	<ul style="list-style-type: none"> Review infrastructure and maintenance plan To participate in the preparation of district infrastructure plans. Implementation of Housing Sector Plan Formulation of public facilities plan Development of integrated public transport plan. Develop project implementation plan for electricity. Develop cemetery master plan 	Adopted sector plans.	Technical Services Development Planning
	To create opportunities for new housing products in Umhlabuyalingana,		<ul style="list-style-type: none"> Undertake market and needs analysis for new housing products in Umhlabuyalingana. Facilitate the development of rental housing stock in Mbazwana and Manguzi. 	Land earmarked for new housing products. Number of new rental and middle income units.	Technical Services Development Planning

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT	RESPONSIBLE DEPARTMENT
	To provide public facilities in line with the recommended standards.	Public facilities	<ul style="list-style-type: none"> Facilitate the development of public facilities. Facilitate the development of public parks in Manguzi and Mbazwana 	Access to public facilities	Technical Services Development Planning

1.1.2 FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	To comply with the financial reporting requirements as outlined in the MFMA.	Budgeting and financial reporting	<ul style="list-style-type: none"> ▪ Ensure that the budget is developed and approved as provide in the MFMA. ▪ Undertake mid-year budget review process as provided for in the MFMA. ▪ Ensure that the budget is aligned with the IDP. ▪ Ensure submission of complying AFS within the legislative date 	Compliance with the MFMA.	Finance Department
			<ul style="list-style-type: none"> ▪ Ensure Monthly reports in terms of section 71. ▪ Ensure Mid-Year Budget Performance and assessment in terms of section 72 ▪ Ensure submission of statutory reports timely to National & Provincial Treasury. 	<ul style="list-style-type: none"> ▪ Financial reports. ▪ Compliance with legislative requirements 	Finance Department
	Maintain an effective system of expenditure control	Expenditure Management and Control	<ul style="list-style-type: none"> • Ensure that expenditure occurs in accordance with the approved budget. ▪ Improve expenditure on grant funding by starting projects on time and paying service providers on time. ▪ Develop and introduce internal controls to prevent loss of 	<ul style="list-style-type: none"> • Expenditure in accordance with the budget approved by Council 	Finance Department

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
			supporting documents. <ul style="list-style-type: none"> • Improve submission of payroll inputs. • Maintain a fully functional financial system. 		
	To increase own revenue	Revenue enhancement	<ul style="list-style-type: none"> ▪ Review of rates policy. ▪ Implement Debt Recovery Plan ▪ Development of a new general valuation roll. ▪ Implementation of revenue enhancement strategies ▪ Improve billing system to comply with GRAP. ▪ Improve collection/ payment of traffic fines or income. 	<ul style="list-style-type: none"> ▪ Increase in own revenue collection. 	Finance Department
	To establish asset management that is GRAP compliant	Asset Management	<ul style="list-style-type: none"> ▪ Develop and maintain an assets register that is GRAP 17 compliant. ▪ Introduce a system based asset management system. ▪ Undertake assets count and bar-coding of all municipal assets. ▪ Review assets management policy. ▪ Ensure safeguarding and maintenance of municipal assets. 	<ul style="list-style-type: none"> ▪ Assets Register ▪ Assets management system 	Finance Department
	To establish efficient treasury department	Financial Management	<ul style="list-style-type: none"> ▪ To increase staff compliment and capacity ▪ Review and maintenance of financial controls, systems and procedure manuals. ▪ To deliver services strictly in line with budget provisions and authorized 	<ul style="list-style-type: none"> ▪ Efficiency in the management of municipal finances. ▪ Sound financial 	Finance Department

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
			budget <ul style="list-style-type: none"> ▪ Review appropriate financial policies including credit control measures, expenditure control, and improved asset management. ▪ To ensure that the IDP and Budget are integrated and available funds are allocated in line with IDP Priorities ▪ To implement an anti-corruption fraud strategy ▪ To ensure the implementation of risk register and strategy. ▪ To improve internal control within the department to contribute to clean audit 	management systems and legislative compliance	

1.1.3 GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	To develop a credible IDP as a short-to medium term guide for development and service delivery	Integrated Development Planning	<ul style="list-style-type: none"> Ensure that the IDP complies with the government policies, regulations and relevant legislation as well as outcome 9. Undertake community needs assessment as an input into the IDP. Establish local structures for the coordinating the IDP and the activities of other government departments. Facilitate signing of a memorandum of agreement between the municipality and traditional councils as a means to coordinate and improve working relations. 	IDP adopted	<ul style="list-style-type: none"> Office of the Municipal Manager
	<p>To involve local communities in municipal affairs in a structured manner.</p> <p>Create a strategy for functional ward committees and community development workers</p>	Ward Committees	<ul style="list-style-type: none"> Capacitating of ward committees through training. Ensure that a structured system is created to ensure proper and effective functionality of Ward Committees and community Development workers. 	<p>Functional Ward Committees Ward Committee Meetings</p> <p>Responsive and effective ward committees and community development workers.</p>	<ul style="list-style-type: none"> Community Services

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	To have a proper Waste Management		<ul style="list-style-type: none"> Registration of Landfill sites Implementation of the Waste Management Plan 	Improved waste collection	<ul style="list-style-type: none"> Corporate and Community Services
	To involve communities in shaping the municipality's development agenda	Public participation	<ul style="list-style-type: none"> Review Public Participation Policy and a communication strategy. Conduct Mayoral Izimbizo Conduct IDP community meetings. Undertake IDP and budget road shows. Develop and adopt a customer care help desk 	<ul style="list-style-type: none"> Deepened democracy. Public participation in municipal affairs. 	<ul style="list-style-type: none"> Management
	To communicate with stakeholders using print and electronic media.	Communication	<ul style="list-style-type: none"> Initiate a quarterly newsletter and distribute it widely within Umhlabuyalingana. Prepare and communicate Annual Report with broader stakeholders. Maintain a website and update its content regularly. Undertake regular radio slots to inform the public about developments in Umhlabuyalingana. 	<ul style="list-style-type: none"> Quarterly Newsletter. Annual Report Radio Slots 	<ul style="list-style-type: none"> Office of the Municipal Manager
	To prevent and reduce the impact of disasters in Umhlabuyalingana	Disaster management	<ul style="list-style-type: none"> Facilitate the signing of an agency agreement with the district. Undertake community awareness campaigns on disasters management. Participate in provincial and district disaster management forums. Manage and operate fire services. 	<ul style="list-style-type: none"> Reduction of Risks that are associated with disasters Informed Community in terms of 	<ul style="list-style-type: none"> Corporate and Community Services

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
			<ul style="list-style-type: none"> • Coordinate volunteer programme on disaster management. • Undertake disaster management training and capacity building. • Identify and facilitate relocation of households located in road reserves, within 100year flood lines and other disaster prone areas. • Ensure implementation of risk reduction projects • Annual review of DRM Plan • Establishment of fire station 	possible disasters	
	Create programs for the Designated groups such as youth, woman, disable and other vulnerable groups	Special Programmes	<ul style="list-style-type: none"> • Identify programs • Align the budget with the programs • Develop a calendar of special events and celebrations within Umhlabuyalingana. • Work with relevant state institutions to create awareness about government initiatives in this regard. • Mobilise communities to participate actively in the special events and celebrations. • Promote the development and participation in sport activities 	Schedule of events and programs for uMhlabuyalingana a Local Municipality	<ul style="list-style-type: none"> ▪ Corporate and Community Services
	To facilitate the implementation of the Community Based Programs.	Community based Works Programme	<ul style="list-style-type: none"> • Report progress in Community Works Programme in all 17 wards • Monthly coordination of Reference Committee (CWP). 	Enhance Community Programs	<ul style="list-style-type: none"> ▪ Community Services

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	To enhance the overall quality of road traffic services provision, and in particular ensure safety, security, order, discipline and mobility on the road	Public safety (Road)	<ul style="list-style-type: none"> Establishment and operation of vehicle testing centre. Improve traffic signalling in all urban centres and nodes. Ensure traffic law enforcement on the public roads that runs through Umhlabuyalingana. Participate actively in community policing and community road safety forums and other coordinating structures. Provision of Driving License Testing Centre services Participate in provincial and district traffic management forums. Capacitate road traffic law enforcement personnel 	<ul style="list-style-type: none"> Compliant and Controlled traffic 	<ul style="list-style-type: none"> COCOS traffic unit
	To participate actively in the IGR and other coordinating structures.	Intergovernmental Relations and Cooperative Governance	<ul style="list-style-type: none"> Attend all IGR meetings and champion the development agenda of Umhlabuyalingana. Establish a service provider's forum for government departments that work within Umhlabuyalingana. 	Improved service delivery coordination	<ul style="list-style-type: none"> Municipal Manager
	To enable the organization to account for the use of public funds.	Audit Function	<ul style="list-style-type: none"> Ensure that the audit committee is fully operational. Capacitate internal audit function. Integrate financial and performance auditing. Undertake auditing of the 	Clean Audit	<ul style="list-style-type: none"> Office of the Municipal Manager

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
			performance reports prepared as part of the PMS. <ul style="list-style-type: none"> To ensure effective working relationship between internal audit and external audit. 		
	To be compliant with MFMA, SCM regulations and related legislation.	Supply Chain Management	<ul style="list-style-type: none"> Review the SCM Policy. To establish an efficient and fully functional Supply Chain Management Unit Strengthening of SCM committees or structures. Training of senior management on SCM. Establishment of a legislative compliant suppliers database. 	<ul style="list-style-type: none"> Compliance with MFMA, SCM regulations and related legislations. 	<ul style="list-style-type: none"> Finance Department
	Facilitate provision of library services	Library services	<ul style="list-style-type: none"> Library promotions 	Awareness campaigns conducted	Community and Corporate services
	To keep the public facilities in clean and in good working order.	Maintenance of Public Facilities	<ul style="list-style-type: none"> Take GPS readings of the spatial location of all public facilities. Undertake an assessment of all public facilities and formulate a maintenance programme and strategy. Develop a community based programme for the management of community facilities. 		Corporate and Community Services

1.1.4 LOCAL ECONOMIC DEVELOPMENT

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	To use municipal and government funded projects as a means to create jobs and reduce poverty.	Community based Works Programme	<ul style="list-style-type: none"> Mobilise resources from various government department. Identify labour intensive projects. 	Reduced unemployment	LED unit
	To increase tourism market share of Umhlabuyalingana	Tourism Promotion and Development	<ul style="list-style-type: none"> To participate in the development of tourism framework through IGR. To develop tourism strategy and plan for Umhlabuyalingana. 	increase in the number of tourists visiting in the area	LED/Tourism Unit
	To facilitate development of commercial agriculture in Umhlabuyalingana	Agriculture Development	<ul style="list-style-type: none"> Production of niche products such as groundnuts and essential oils. Facilitate development agri-industries that add value to local products. Facilitate the commercialization of livestock farming. Facilitate the development of the Irrigation schemes along Phongola Floodplains. 	Sustainable and productive agricultural projects	LED/Tourism Unit
	To strengthen SMME development and support	SMME Support and Capacity Building	<ul style="list-style-type: none"> Review LED strategy 	Increased number of operational and economically active SMME's	LED Unit
	To improve aesthetic character of Manguzi and Mbazwana as a	Small-town Rehabilitation	<ul style="list-style-type: none"> Undertake urban design in Manguzi. Improve landscaping along the main roads and streets. 		

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	means to attract investment		<ul style="list-style-type: none"> • Introduce street lighting in both towns. • Improve signage in both towns. • Improve pavements and walkways in both towns. 		
	To register an maintain database of all businesses that operates in Umhlabuyalingana	Business Licensing	<ul style="list-style-type: none"> • Alerting public about need for business licencing. • Processing of business licences. • Introduction and enforcement of business licencing by-laws. 		

1.1.5 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	To create and retain sufficient capacity for an effective administration	Human Resource Management	<ul style="list-style-type: none"> • Fill-in the priority vacant posts as per the approved Organo Gram. • Implementation of a staff retention strategy. • Develop packages that are attractive to qualified and experienced personnel. • Compliance with all Human Resource Policies • Facilitate on-job skills development and training. • Use internship and in service training to create local skills. 	Full and competent staff complement	Corporate and Community Services
	Develop workplace skills Plan for efficient administration	Human resource management	<ul style="list-style-type: none"> • Job Evaluation • Development of the work skills plan 	Accelerated performance through Job knowledge	Corporate and Community Services
	To manage and enhance the performance of the municipality.	Performance Management	<ul style="list-style-type: none"> • Set targets and performance measures for all objectives outlined in the IDP. • Preparation of annual report that is compliant with section 46 of MSA. • Implementation of performance agreements and performance plans. • Train staff and councillors on PMS. • Review PMS policy and procedure manual. 	Improved performance and compliant with MSA and Performance Regulations.	Office of the Municipal Manager

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
			<ul style="list-style-type: none"> To ensure performance evaluation of section 56 and section 57 employees. Undertake quarterly reviews. Undertake client satisfaction surveys as a means to gauge level of satisfaction with municipal services. 		
	To proactively identify and address potential risks that may affect the functioning of the organization.	Risk Management	<ul style="list-style-type: none"> Implementation of the risk management strategy and policy. Review and update risk register Undertake a risk identification and assessment exercise. 	Risk Management Strategy	Office of the Municipal Manager
	To administer the affairs of the municipality in accordance with relevant legislation and policies.	Municipal administration	<ul style="list-style-type: none"> Develop and implement the calendar for council and committee meeting. Develop a calendar of statutory reports and facilitate compliance. Undertake continuous training and capacity building of councillors as a means to ensure that they make informed decisions. 	Efficient administration	Corporate and Community Services
	<ul style="list-style-type: none"> Develop and introduce an integrated information management system in compliance with section 75 of the MFMA. 	Information Technology	<ul style="list-style-type: none"> Linking of all municipal remote sites. Improve the capacity and security of the server. Ensure compliance with section 75 of the MFMA 	Improved access to information	Corporate and Community Services
	To keep records and	Record	<ul style="list-style-type: none"> Improve registry system. 	Institutional	Corporate and

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT/ OUTCOME	RESPONSIBLE DEPARTMENT
	create institutional memory.	Keeping/Registry	<ul style="list-style-type: none"> Develop a system to store and manage documents prepared by and on-behalf of the municipality. Develop a knowledge management system 	memory	Community Services
	To safeguard against costly legal fees.	Legal Services	<ul style="list-style-type: none"> Formulation of database for the legal services providers Retain the services of a legal expert to advise the municipality on legal matters. Compliance with relevant legislation. 	Access to legal services	Corporate and Community Services Finance
	To render employee assistance support	Employee Assistance programme	<ul style="list-style-type: none"> Develop an employee assistance programme. 	Wellness program	Corporate and Community Services

1.1.6 SPATIAL PLANNING AND ENVIRONMENTAL MANAGEMENT

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT	RESPONSIBLE DEPARTMENT
	To promote development of efficient and sustainable settlement pattern	Spatial Planning	<ul style="list-style-type: none"> Refinement of the SDF through the preparation of spatial development guidelines. Preparation of a LSDI Road Corridor Plan. Preparation of layout plans and registration of General Plans for Mbazwana and Manguzi. Preparation of nodal framework for secondary and tertiary nodes. Preparation of settlement plans using the community based planning approach. Training of traditional authorities in spatial planning. Formalization of functional relationship between traditional councils and the municipality. 	Efficient settlement pattern. Urban structure for Mbazwana and Manguzi	Development Planning
	To promote productive, harmonious and sustainable land use	Land Use Management	<ul style="list-style-type: none"> Preparation and introduction of wall-to-wall Land Use Scheme. Training of traditional councils on land use management. Development of systems and procedures for the implementation of the PDA. 	Land use zoning. Meeting PDA timeframes	Development Planning
06/02/12-13	To establish a GIS desk within the municipality	GIS	<ul style="list-style-type: none"> Establish GIS desk within the municipality. 	Internal capacity to access and use	Development Planning

REFERENCE NUMBER	STRATEGIC OBJECTIVE	PROGRAM	OPERATIONAL STRATEGIES/ ACTION PLANS	OUTPUT	RESPONSIBLE DEPARTMENT
			<ul style="list-style-type: none"> Collect GIS data from service providers that have done work within the municipality. Survey all projects being undertaken within the municipality and integrate them into the GIS system. 	GIS data	Technical Services
06/03/12-13	To provide effective support to environmental management initiatives in the area	Environmental Management	<ul style="list-style-type: none"> Work with Isimangaliso Wetlands Park and Ezemvelo KZN Wildlife to develop and implement community based resource management programme. Facilitate the Development of Environmental Management and Framework plan 	Improved public environmental awareness	Development and planning

4. SUPPORTING TABLES

KZN271 Umhlabuyalingana - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
<u>Parent municipality</u>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		6 393	54 895	60 784	3 371	3 371	3 371	14 000	14 500	15 000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Municipality sub-total	1	6 393	54 895	60 784	3 371	3 371	3 371	14 000	14 500	15 000
<u>Entities</u>										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		6 393	54 895	60 784	3 371	3 371	3 371	14 000	14 500	15 000

The above table show the projected call investment that the municipality is planning to make in 2013/14 budget year, the basic drive for the this projection is: for the municipality to be sustainable it must increase its working capital. If the municipality has a good working capital it will be easier to fast track the service delivery that the community of Umhlabuayalingana.

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		31 660	37 700	52 018	59 993	57 859	57 859	71 859	91 587	125 497
Local Government Equitable Share		29 185	35 750	49 682	56 693	54 256	54 256	68 319	87 853	121 580
Finance Management		1 740	1 200	1 450	1 500	1 804	1 804	1 650	1 800	1 950
Municipal Systems Improvement		735	750	886	800	800	800	890	934	967
EPWP Incentive		-	-	-	1 000	1 000	1 000	1 000	1 000	1 000
Other transfers/grants []										
Provincial Government:		138	3 416	5 319	1 723	1 388	1 388	-	-	-
Sport and Recreation		48	-	644	150	150	150	-	-	-
Housing		90	3 416	4 675	1 573	1 238	1 238	-	-	-
LIBRARY										
District Municipality:		53	-	-	-	-	-	-	-	-
OTHER RANT		53								
Total Operating Transfers and Grants	5	31 851	41 116	57 337	61 716	59 247	59 247	71 859	91 587	125 497
Capital Transfers and Grants										
National Government:		19 807	25 238	28 908	29 149	29 149	29 149	38 502	48 513	44 861
Municipal Infrastructure Grant (MIG)		19 807	16 238	19 908	24 149	24 149	24 149	28 502	32 513	34 861
Other capital transfers/grants [Integrated National Electrification Programme]		-	9 000	9 000	5 000	5 000	5 000	10 000	16 000	10 000
Provincial Government:		914	6 500	8 819	-	-	-	-	-	-
Other capital transfers/grants [OTHER PROVINCIAL]		914	6 500	8 819						
District Municipality:		-	-	1 366	-	-	-	-	-	-
CORRIDOR GRANT				1 366						

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Total Capital Transfers and Grants	5	20 721	31 738	39 093	29 149	29 149	29 149	38 502	48 513	44 861
TOTAL RECEIPTS OF TRANSFERS & GRANTS		52 572	72 854	96 430	90 865	88 396	88 396	110 361	140 100	170 358

KZN271 Umhlabuyalingana - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
EXPENDITURE:	1									
–										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		31 660	37 700	52 018	59 993	57 859	57 859	71 859	91 587	125 497
Local Government Equitable Share		29 185	35 750	49 682	56 693	54 256	54 256	68 319	87 853	121 580
Finance Management		1 740	1 200	1 450	1 500	1 804	1 804	1 650	1 800	1 950
Municipal Systems Improvement		735	750	886	800	800	800	890	934	967
EPWP Incentive		–	–	–	1 000	1 000	1 000	1 000	1 000	1 000
Other transfers/grants []										
Provincial Government:		138	3 416	5 319	1 723	1 388	1 388	–	–	–
Sport and Recreation		–	–	–	150	150	150	–	–	–
Housing		48	–	644						
LIBRARY		90	3 416	4 675	1 573	1 238	1 238	–	–	–
District Municipality:		53	–	–	–	–	–	–	–	–
OTHER RANT		53						–	–	–
Total operating expenditure of Transfers and Grants:		31 851	41 116	57 337	61 716	59 247	59 247	71 859	91 587	125 497
Capital expenditure of Transfers and Grants										

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

National Government:		19 807	25 238	28 908	29 149	29 149	29 149	38 502	48 513	44 861
Municipal Infrastructure Grant (MIG)		19 807	16 238	19 908	24 149	24 149	24 149	28 502	32 513	34 861
Other capital transfers/grants [Integrated National Electrification Programme]		–	9 000	9 000	5 000	5 000	5 000	10 000	16 000	10 000
Provincial Government:		914	6 500	8 819	–	–	–	–	–	–
Other capital transfers/grants [OTHER PROVINCIAL]		914	6 500	8 819						
District Municipality:		–	–	1 366	–	–	–	–	–	–
CORRIDOR GRANT				1 366						
Total capital expenditure of Transfers and Grants		20 721	31 738	39 093	29 149	29 149	29 149	38 502	48 513	44 861
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		52 572	72 854	96 430	90 865	88 396	88 396	110 361	140 100	170 358

KZN271 Umhlabuyalingana - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year								–	–	–
Current year receipts		31 660	37 700	52 018	59 993	57 859	57 859	69 319	91 587	125 497
Conditions met - transferred to revenue		31 660	37 700	52 018	59 993	57 859	57 859	69 319	91 587	125 497
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year								(1		
Current year receipts		138	3 416	5 319	1 723	1 388	1 388	629)	–	–
Conditions met - transferred to revenue		138	3 416	5 319	1 723	1 388	1 388	629)	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		53								
Conditions met - transferred to revenue		53	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year								–		
Current year receipts								–		
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		31 851	41 116	57 337	61 716	59 247	59 247	67 690	91 587	125 497
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		19 807	25 238	28 908	29 149	29 149	29 149	38 502	48 513	44 861
Conditions met - transferred to revenue		19 807	25 238	28 908	29 149	29 149	29 149	38 502	48 513	44 861
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Current year receipts		914	6 500	8 819						
Conditions met - transferred to revenue		914	6 500	8 819	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	1 366				-		
Conditions met - transferred to revenue		-	-	1 366	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		20 721	31 738	39 093	29 149	29 149	29 149	38 502	48 513	44 861
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		52 572	72 854	96 430	90 865	88 396	88 396	106 192	140 100	170 358
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		6 713	6 738	8 516	5 140	5 140	5 140	7 298	6 648
Pension and UIF Contributions		415	708	841				-	-
Medical Aid Contributions		163	227	216				-	-
Motor Vehicle Allowance		53	21	95	1 713	1 713	1 713	-	-
Cellphone Allowance		488	484	636	419	419	419	419	441
Housing Allowances									
Other benefits and allowances		301	115	264	73	73	73	1 775	1 865
Sub Total - Councillors		8 132	8 293	10 567	7 346	7 346	7 346	9 492	9 067
% increase	4		2.0%	27.4%	(30.5%)	-	-	29.2%	5.1%
Senior Managers of the Municipality									
Basic Salaries and Wages	2	2 183	1 763	2 158	2 474	2 354	2 354	2 353	13 370
Pension and UIF Contributions			5		25	25	25	218	1 535
Medical Aid Contributions					-	56	56	84	439
Overtime					-	-	-	-	-
Performance Bonus					-	-	-	-	-
Motor Vehicle Allowance	3				-	188	188	579	634
Cellphone Allowance	3		43		-	-	-	60	-
Housing Allowances	3				-	-	-		
Other benefits and allowances	3	23	14	43	25	163	163	398	970
Payments in lieu of leave				180	206	234	234		
Long service awards						-	-		
Post-retirement benefit obligations	6					-	-		
Sub Total - Senior Managers of Municipality		2 206	1 826	2 382	2 730	3 019	3 019	3 692	16 948
% increase	4		(17.2%)	30.4%	14.6%	10.6%	-	22.3%	359.0%
Other Municipal Staff									
Basic Salaries and Wages		6 713	6 738	8 516	10 030	7 785	7 785	11 916	13 370
Pension and UIF Contributions		415	708	841	1 024	1 105	1 105	1 242	1 535
Medical Aid Contributions		163	227	216	352	452	452	467	439
Overtime		53	21	95	108	196	196	300	316
Performance Bonus		488	484	636	766	723	723	1 056	1 088
Motor Vehicle Allowance	3			-	20	48	48	24	634

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Cellphone Allowance	3			-	-	-	-	-	-	-
Housing Allowances	3			-	-	-	-	-	-	-
Other benefits and allowances	3	301	115	264	334	638	638	1 920	970	938
Payments in lieu of leave				703	835	835	835			
Long service awards				-		-	-			
Post-retirement benefit obligations	6			-		-	-			
Sub Total - Other Municipal Staff		8 132	8 293	11 270	13 469	11 783	11 783	16 926	18 352	19 735
% increase	4		2.0%	35.9%	19.5%	(12.5%)	-	43.6%	8.4%	7.5%
Total Parent Municipality		18 470	18 412	24 219	23 545	22 148	22 148	30 110	45 275	47 052
Sub Total - Other Staff of Entities			(0.3%)	31.5%	(2.8%)	(5.9%)	-	35.9%	50.4%	3.9%
% increase	4	-	-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		18 470	18 412	24 219	23 545	22 148	22 148	30 110	45 275	47 052
% increase	4		(0.3%)	31.5%	(2.8%)	(5.9%)	-	35.9%	50.4%	3.9%
TOTAL MANAGERS AND STAFF	5,7	10 338	10 119	13 652	16 199	14 802	14 802	20 618	35 299	37 985

KZN271 Umhlabuyalingana - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<u>Councillors</u>	3							
Speaker	4	1			279 001			279 001
Executive Mayor		1			342 700			342 700
Deputy Executive Mayor		1			279 001			279 001
Executive Committee		4			1 610 308			1 610 308
Total for all other councillors		27			6 980 559			6 980 559
Total Councillors	8	34	–	–	9 491 569			9 491 569
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)		1	679 634		159 420			839 054
Chief Finance Officer		1	529 316	117 124	105 804			752 244
Director Technical		1	374 764	91 124	122 616			588 504
Director Community		1	374 764	94 367	105 804			574 935
Director Corporate		1	394 037		119 004			513 041
								–
Total Senior Managers of the Municipality	8,10	5	2 352 515	302 615	612 648	–		3 267 778
<u>A Heading for Each Entity</u>	6,7							
List each member of board by designation								

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	39	2 352 515	302 615	10 104 217	-		12 759 346

KZN271 Umhlabuyalingana - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref 1,2	2011/12			Current Year 2012/13			Budget Year 2013/14		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4	26	–	26	34	–	34	34	–	34
Board Members of municipal entities	5							–	–	–
Municipal employees										
Municipal Manager and Senior Managers	3	1	–	1	2		2	5	–	5
Other Managers	7					–				
Professionals		3	3	–	11	11	–	29	29	–
<i>Finance</i>		3	3		3	3		19	19	–
<i>Spatial/town planning</i>					2	2	–	10	10	–
<i>Other</i>					6	6				
Technicians		40	39	1	35	29	6	70	70	–
<i>Finance</i>					5	–	5			
<i>Spatial/town planning</i>		1		1	1	–	1			
<i>Refuse</i>		26	26		24	24		28	28	–
<i>Other</i>		13	13		5	5		42	42	–
Clerks (Clerical and administrative)		17	17		17	17				
Elementary Occupations		5	5							
TOTAL PERSONNEL NUMBERS	9	92	64	28	99	57	42	138	99	39
% increase					7.6%	(10.9%)	50.0%	39.4%	73.7%	(7.1%)

Schedule A- Draft Annual Budget 2013/14 and Supporting Documentation

KZN271 Umhlabuyalingana - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project	Re f. 1,2	Project name	Proje ct numb er	Asset Class 3	Asset Sub- Class 3	GPS co- ordinat es 4	Previo us target year to compl ete	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
								Origin al Budg et	Full Year Foreca st	Budg et Year 2013/ 14	Budg et Year +1 2014/ 15	Budg et Year +2 2015/ 16
							Year					
R thousand												
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Example s</i>	<i>Exempl es</i>							
Small Rehab Market stores Coldroom		market stores		<i>Commu nity</i>	<i>Market s</i>			7 000	7 000	3 500	3 679	3 859
Entities: <i>List all capital projects grouped by Municipal Entity</i>												
<i>Entity Name</i> <i>Project name</i> not applicable												

Overview of Municipal Financial Policies

The municipal has developed financial policies to ensure financial management and internal controls within the finance department and organisation as a whole. These policies serve as a guide in implementation of service delivery and code of conduct.

The municipal is in the process of reviewing the following policies that will be presented with the draft budget for 2013/14:-

- Budget Process policy
- Asset Management policy
- Credit Control and Debt Collection policy
- Municipal Property rate policy
- Supply Chain Management policy
- Revenue Policy
- Indigent Policy
- Tariff Policy
- Virement Policy
- Risk Management Policy

LEGISLATIVE COMPLIANCE STATUS

Municipal Finance Management Act, No 56 of 2003 became effective on 01 July 2004. All the municipalities were accepted to comply with the Act. The MFMA introduced the significant changes in the financial management of local government.

The municipal budget preparation has since change in different presentation as National Treasury always come up with the new budgeting and reporting methods. The municipal budget must to be presented in to multi years, showing the past three audited years, current year and the Medium Term Revenue and Expenditure Framework as it is presented in the budget regulations.

Section 23 of Municipal Finance Management Act, No 56 of 2003 requires the communities within the municipality to be part of Integrated Development Plan and Budget processes. The local communities can also monitor the performance of the municipality through the regular reporting of the Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP and performance contract of Municipal Senior Managers are prepared at the same time as the budget.

Umhlabuyalingana municipality has summarized the following key budget reforms:

- Focus on performance measurement system
- Alignment of IDP, Budget and SDBIP
- Strengthening of SCM processes and policies
- Improvement in the in-year reporting to PT and NT
- Improve financial management

The municipality has also considered the other local government legislation. That legislation is as follows

- The Division of Revenue Bill 2012
- Municipal Systems Act No 32 of 2000 together with the Municipal Systems Amendment Act No 44 of 2003

The Division of Revenue Bill is issued annually by National Treasury in February, it provide the municipalities with the three year allocations from National Government. The Provincial Departments also allocate the funding to municipalities by means of provincial gazette.

Quality Certificate

I, **SIBUSISO EMMANUEL BUKHOSINI**, The Municipal manager of **UMHLABUYALINGANA MUNICIPALITY**, hereby certify that the Annual Draft Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Annual Draft Budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print name: SIBUSISO EMMANUEL BUKHOSINI

Municipal manager of UMHLABUYALINGANA MUNICIPALITY (KZN271)

Signature:

Date:

MUNICIPAL CONTACT DETAILS

Umhlabuyalingana Municipality

Private Bag x 901

KWANGWANASE

3973

Contact Person: Mr. SE Bukhosini

Telephone number: 035 592 0680

Fax number: 035 592 0672

Email address: bukhosinise@gmail.com